DEPARTMENT OF THE NAVY

CHIEF OF NAVAL EDUCATION AND TRAINING
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PENSACOLA FLORIDA 32508-5220

CNETINST 4780.1D
OS41   (R
21 Apr 2000

CNET INSTRUCTION 4780.1D

Subj: ADMINISTRATION, FUNDING, AND ACCOUNTING FOR ACTIVE SERVICE
       CRAFT AND BOATS ASSIGNED TO NAVAL EDUCATION AND TRAINING
       COMMAND (NAVEDTRACOM) ACTIVITIES

Ref: (a) OPNAVINST 4780.6D
       (b) CNETINST 4780.2B
       (c) NAVSEANOTE 4780 (current year)

Encl: (1) CNET 4780/1 (1-95), Major Repair and Overhaul
           Requirements for Service Craft and Boats
       (2) Instructions for Completion of CNET 4780/1

1. Purpose. To promulgate guidance, requirements, and
responsibilities to all NAVEDTRACOM activities for service craft
and small boat overhaul, repair, and maintenance.

2. Cancellation. CNETINST 4780.1C

3. Scope. This instruction applies to all service craft and
boats under the custody of NAVEDTRACOM user activities. Funding
support discussed herein falls into two categories: (1) funds
provided by the OPNAV sponsors and centrally managed by the Chief
of Naval Education and Training (CNET) to be allocated for
scheduled, periodic overhaul of service craft and boats; and (2)
all other funds associated with program execution for maintenance
of service craft and small boats.

4. Discussion. CNET (OS41) is the designated Service Craft and
Small Boat Program Manager. The program manager has an annual
budget to provide support to NAVEDTRACOM activities with craft
and boats. All funds used for craft/boat overhaul, repair, and
maintenance are to be reported in one of the following Activity   (R
Groups (AGs) and Sub-Activity Groups (SAGs):

    - Base Operating Service – AG BS, SAG S3
    - Specialized Skill Training – AG 3B, SAG 1K
    - Flight Training – AG 3B, SAG 2K

The AG and SAG used to report major repair and overhaul costs   (A
will be chosen based on the primary mission of the craft/boat.
The specific Cost Accounting Code (CAC) for craft/boats is 6E20.
This CAC will be used regardless of the AG and SAG used. CNET
activities' craft/boat overhaul and major repair funding will be
provided based on requirements submitted in enclosure (1). Each
requirement will be reviewed and prioritized for funding in a
particular fiscal year. Reference (a) establishes CNET's

assigned area of responsibility for service craft. Reference (b) establishes the Service Craft Material Inspection Board for the area of responsibility assigned to CNET.

5. Policy

   a. References (a) and (b) shall be used as the basis for administration and reporting requirements for all service craft and boats assigned to the NAVEDTRACOM.

   b. Funding for scheduled overhauls of service craft and boats will be provided from CNET centrally managed funds. A pre-overhaul Test and Inspection (POT&I) must be requested and performed in accordance with references (a) and (b). Requests for overhaul funding must include a copy of the POT&I, a listing of the work to be accomplished by line item in sufficient detail so that the scope of the work may be clearly understood and separate pricing for each line item of work to be performed.

   c. Funding required for the normal day-to-day program costs, i.e., maintenance/minor repair services, parts, consummable supplies, etc., will be requested as a separate line item by each activity as part of the yearly budget request. These funds will be provided by the CNET Comptroller at designated times during the applicable fiscal year.

   d. Service Craft and Boat Alterations are not normally funded by Commander, Naval Sea Systems Command (COMNAVSEASYSCOM). Each SHIPALT/BOATALT designates the command responsible for funding the alteration. The procedure for requesting alterations to service craft and boats is contained in reference (a).

6. Financial Responsibility

R)   a. Operations, Maintenance and Minor Repair. Funds for normal maintenance and minor repair costs such as parts, labor to perform the maintenance or repair, lubricants, and other stock account materials, less fuel, will be requested by each activity operating service craft and small boats in the yearly budget submission and identified as a separate line item. Provide CNET OS41 a detailed breakdown of the budget submission for this requirement.

      b. Overhauls and Major Repairs

R)   (1) Service Craft. Overhauls and major repairs estimated to cost more than $10,000 for service craft assigned to NAVEDTRACOM activities, not under fleet command, will be budgeted based on inputs provided on enclosure (1). Funds for overhauls and major repairs will be held by CNET in a centrally managed account. All overhaul and major repair requirements will be prioritized. Activities will be notified which overhauls will be funded so that the overhaul or major repair can be scheduled.

Requiring activities are to ensure timely submission of enclosure (1) so that overhaul and major repair funding can be included in CNET's budget submission. Service craft overhaul requirements are to be submitted with a 6-8 year overhaul plan. See reference (a) for timeframe by service craft type.

      (2) <u>Boats</u>. Boat overhauls and major repairs, exclusive of the boat rehabilitation program administered by COMNAVSEASYS-COM for boats which are not on an activity allowance, will be budgeted and funded as in subparagraph 6b(1) above.

   c. <u>Alterations</u>

      (1) <u>Service Craft</u>. Alterations for service craft are   (R prepared and issued by COMNAVSEASYSCOM. Service craft alterations, when issued, will indicate whether the user funds the alteration as an operational cost or whether COMNAVSEASYSCOM provides the funding. Alterations designated for accomplishment by user funds will be budgeted for and funded by the using activity. However, an alteration may be included in the overhaul package for a craft if the overhaul package will exceed $10,000 in cost.

      (2) <u>Boats</u>. Boat alterations are promulgated by   (R COMNAVSEASYSCOM. Routine boat alterations are funded by the user of the boat. However, an alteration may be included in the overhaul package for a boat if the overhaul package will exceed $10,000 in cost. On occasion, a major and costly boat alteration may be issued and funded by COMNAVSEASYSCOM.

   d. <u>Activations and Inactivations</u>. Activations and inactivations of all service craft and boats will be budgeted, funded, and centrally administered by COMNAVSEASYSCOM.

7. <u>Action</u>

   a. <u>CNET</u>

      (1) Designate a service craft/boat program manager.

      (2) Provide overhaul policy and guidance for the service craft/boat program in the NAVEDTRACOM.

      (3) Plan, program, budget, and allocate resources to support scheduled overhauls of service craft/boats assigned to the NAVEDTRACOM.

      (4) Interface with COMNAVSEASYSCOM and other external commands for all issues relating to the service craft/boat program, e.g., modification, overhaul, and changes in the requirements.

b. Underline: User Activities

(1) Designate a service craft and small boat manager. The manager is responsible for coordinating overhaul, maintenance, repair, and funding requirements. The manager is required to maintain an annual cost sheet for each service craft/small boat and retain as permanent records. The manager is responsible for coordinating all service craft/small boat requirements with COMNAVSEASYSCOM and CNET.

(2) Annually evaluate the mission necessity for retaining each service craft and small boat. Transfer excess assets in accordance with reference (a).

(3) Requests for funds to support general operation, housekeeping items, routine preventive maintenance, and minor repairs to active service craft and boats and one-time major repair costs not exceeding $10,000 will be requested as a separate line item from overhaul funding. Annual overhaul budget submissions will include enclosure (1) as supportive documentation.

(4) Requirements for overhaul/major repair costing $10,000 or more will be funded by CNET centrally managed funds. Initial information to support the budgeting of funds for these requirements shall be submitted annually to CNET (OS41) via the chain of command, in the format of enclosure (1), prior to 1 June. For proper budgeting and funding of overhauls/major repairs, a minimum lead time of 24 months is required.

(5) All activities are required to comply with COMNAVSEA-SYSCOM requirements to annually update the Service Craft and Boat Accounting Report (SABAR). Activities will submit their annual updated report to COMNAVSEASYSCOM via the chain of command as required by reference (c).

(6) Funding requests for overhauls/major repairs to service craft and small boats submitted to CNET (OS41) under this program will include a copy of the POT&I, line item descriptions and cost estimates for each line item of work to be performed. Each line item will include sufficient detail to allow a full understanding of the work for which the funds are requested, and the total cost for all line items will equal the total funds requested. Funding requests may be in the form of a letter or e-mail. Availability of funds to accomplish the overhaul/major repairs must be certified by CNET (OS41) prior to the commencement of work, advertising of contracts, purchasing of materials, etc. At least 2 weeks processing time will be required after receipt of funding request at CNET Headquarters for disposition. For overhauls that are projected to cost in excess of $200,000, the CNET program manager will chair a pre-overhaul conference to review the overhaul work package. All matters pertinent to the overhaul will be discussed at this

meeting and will include such items as scheduling, funding, ship/boat alterations, new work, etc.

(7) After a funding ceiling has been established for a particular craft/boat overhaul, all growth in excess of $10,000 and all new work will be accomplished only if authorized by CNET (OS41). Verbal requests will be followed up by letter or e-mail. Details of new work and justification must be included.

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8. <u>Program Manager</u>. The program manager for overhauls/major repairs to service craft and small boats at CNET Headquarters is OS41, DSN: 922-8957. Direct communications between the (R activities and the program manager are encouraged to ensure there is a full understanding of funding requirements and related problems.

9. <u>Reports</u>. RCS CNET 4780-1, Major Repair/Overhaul Requirements for Service Craft and Boats, is found in paragraph 7b(4). This report is approved for 3 years from the date of this instruction. Activities shall reproduce enclosure (1) and use the instructions in enclosure (2) to complete CNET 4780/1 (1-95). The SABAR annual update report to COMNAVSEASYSCOM (PMS 325) is found in (R paragraph 7b(5).

/S/D. L. BREWER, III
Vice CNET

Distribution (CNETINST 5218.2D):
Lists I (1, 3, 9, 13, 17, 19, 20, 22, 24, 26, 27, 29),
II (2, 3, 5), V (25, 29)

INSTRUCTIONS FOR COMPLETION OF CNET 4780/1

1. List all service craft and boats that are supported by appropriated funds, including those for which no funds are being requested for the Program Objective Memorandum (POM) year. Use CNET 4780/1 (1-95) reproduced from enclosure (1) for each craft (see sample).

2. List date and cost of last overhaul and the activity that performed the work.

3. List the date on which the craft is due for the next over-haul, estimated cost, and the activity that is expected to perform the work.

4. List one-time repair cost for the past year, current year, and POM year for each craft or boat.

5. Justification for the overhaul and major repair funds for the POM year must be provided by the activity. This may be done by separate attachments to CNET 4780/1 (1-95). Include copies of applicable ship alterations or boat alterations that require completion during the planned overhaul.

6. Include the total funds spent on overhaul, repairs, replacement parts, and maintenance.

MAJOR REPAIR AND OVERHAUL REQUIREMENTS FOR SERVICE CRAFT AND BOATS
REPORT SYMBOL CNET 4780-1

Activity _____

UIC _____   POM YEAR _____

See Instructions

LIST ALL	LAST OVERHAUL		NEXT OVERHAUL		MAJOR REPAIRS		
SVC							

CRAFTS/BOATS By Type and Hull Number	COMP. DATE	COST	ACTIVITY	DUE DATE	EST. COST	ACTIVITY	PAST YEAR	CURRENT YEAR	POM YEAR

CNET 4780/1 (1-95)